## CORRECTED FISCAL NOTE

## **SJR 596**

April 5, 2006

**SUMMARY OF BILL:** Exempts all anti-epileptic medications from any mandatory generic or therapeutic substitution. The Department of Health's Epilepsy Awareness Program shall continue to include awareness and education on the importance of continuity of care and patient compliance.

#### **ESTIMATED FISCAL IMPACT:**

On March 31, 2006, we issued a fiscal note which indicated that there would be a not significant increase in state expenditures, a not significant increase in local govt. expenditures and a not significant impact on the cost of health insurance premiums. A more precise cost estimate was not possible because the TennCare Bureau had not provided any information to assist in the preparation of the fiscal note. Based on information provided by the Bureau of TennCare, the estimated fiscal impact of this bill is:

## (CORRECTED)

Increase State Expenditures - Exceeds \$36,000

Increase Local Govt. Expenditures - Not Significant

Other Fiscal Impact - Increase Federal Expenditures - Exceeds \$64,000

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation will not have a significant impact on the cost of health insurance premiums.

#### Assumptions:

- The Department of Health will not incur a significant fiscal impact for the continuation of the Epilepsy Awareness Program.
- The TennCare program will incur and increase in expenditures exceeding \$100,000 (\$36,000 in state funds and \$64,000 in federal funds) for anti-epileptic medications being exempt from the generic substitution and required system changes.

# SJR 596 (CORRECTED)

• The state and local govt. health plans will not incur a significant increase for anti-epileptic medications being exempt from the generic substitution.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director